



## GOVERNMENT OF PUERTO RICO

Puerto Rico Fiscal Agency and Financial  
Advisory Authority

### Municipal Secondary Market Disclosure Information Cover Sheet Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access System (EMMA)

#### Additional / Voluntary Disclosure Financial / Operating Data

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**THIS FILING RELATES TO A SINGLE BOND ISSUE:**

Name of bond issue exactly as it appears on the cover of the Official Statement:

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Nine-digit CUSIP numbers if available, to which the information relates:

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**THIS FILING RELATES TO ALL OR SEVERAL SECURITIES ISSUED BY THE ISSUER, OR ALL OR SEVERAL SECURITIES OF A SPECIFIC CREDITOR:**

Issuer's Name: Commonwealth of Puerto Rico

Other Obligated Person's Name (if any): \_\_\_\_\_

Six-digit or Nine-Digit CUSIP number(s): Commonwealth of PR - 745145, 74514L; Puerto Rico Sales Tax Financing Corporation (COFINA) - 74529J; PREPA - 745268, 74526Q; PRASA - 745160; PRHTA - 745181, 745190; UPR - 914811; Employees Retirement System of the Commonwealth of PR - 29216M; PR Convention Center District Authority - 745266; PRHFA - 74526L, 74527A; PRIDCO - 745211, 745215; PRIFA - 745220; PR Ports Authority - 74528U; PBA - 745235; and PRPHA - 74526L.

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**TYPE OF INFORMATION PROVIDED:**

- A. ☐ Quarterly / Monthly Financial Information
  - B. ☐ Change in Fiscal Year / Timing of Annual Disclosure
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  - D. ☐ Interim / Additional Financial Information / Operating Data
  - E. ☐ Budget
  - F. ☐ Investment / Debt / Financial Policy
  - G. ☐ Information Provided to Rating Agency, Credit / Liquidity Provider or Other Third Party
  - H. ☐ Consultant Reports
  - I. ☒ Other Financial / Operating Data: Summary of Bank Account Balances for the Government of Puerto Rico and its Instrumentalities as of October 31, 2018
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I represent that I am authorized by the issuer, obligor or its agent to distribute this information publicly.

/s/ Sebastián M. Torres Rodríguez

Sebastián M. Torres Rodríguez

Puerto Rico Fiscal Agency and Financial Advisory Authority,  
as Fiscal Agent for the Commonwealth

Dated: December 3, 2018



## GOVERNMENT OF PUERTO RICO

Puerto Rico Fiscal Agency and Financial  
Advisory Authority

# Summary of Bank Account Balances for the Government of Puerto Rico and its Instrumentalities

*Information as of October 31, 2018*

November 30, 2018

## Disclaimer

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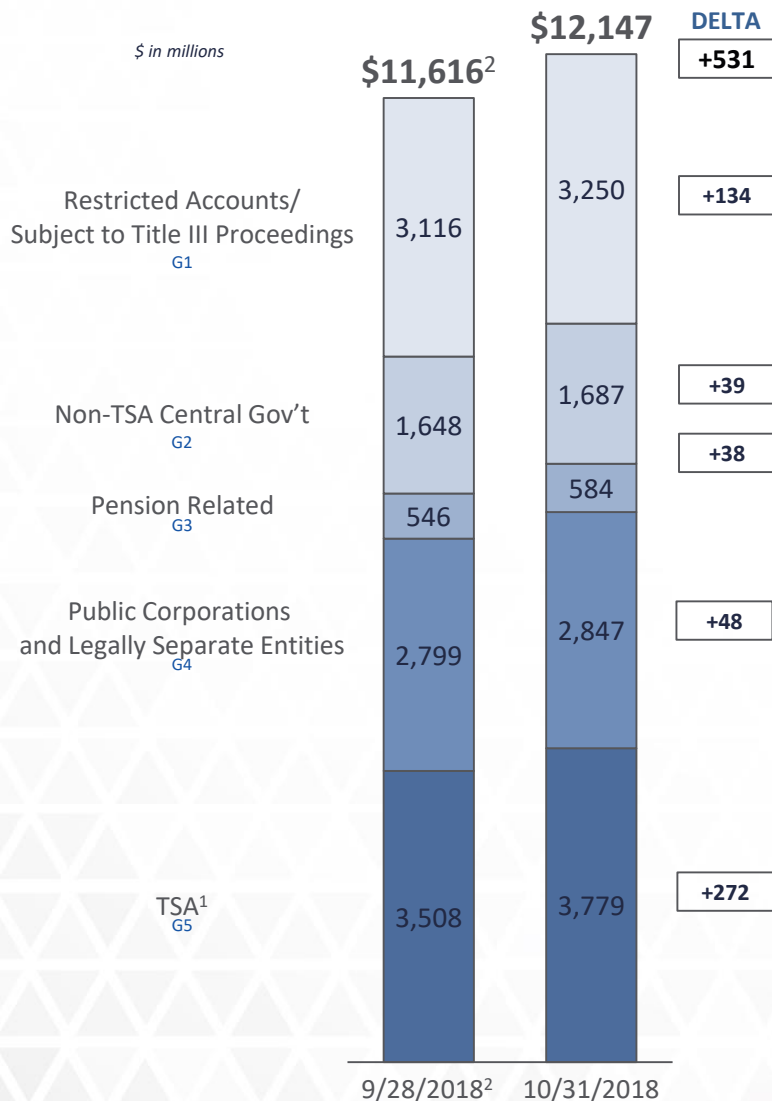
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## Disclaimer (cont'd.)

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# Executive Summary



## Key takeaways:

- Overall **balance** of reported accounts **increased by approximately \$531M** from September 28<sup>th</sup> to October 31<sup>st</sup>.
- Increase is mainly **driven by**:
  - +\$271.6M** increase in central Government's Treasury Single Account balance ("TSA<sup>1</sup>")
  - +\$133.9M** increase in Restricted Accounts and/or subject to Title III Proceedings
  - +\$48.5M** in Public Corporations and Legally Separate Entities
  - +\$39.2M** increase in Central Gov't Non-TSA Accounts.
  - +\$37.9M** increase in Pension Related Accounts.

Non-TSA Central Government balances are concentrated in the Department of Labor - PR Unemployment Trust Fund at the US Treasury (36%), Public Housing Administration (28%), lotteries related funds (11%), other funds at the Department of Labor (8%), and the Child Support Administration (3%).

<sup>1</sup> Includes TSA Sweep Accounts.

<sup>2</sup> Refer to the footnotes on Slide 19 - Appendix A, pertaining to revised balances and newly identified accounts as of 9/28.

<sup>3</sup> The Puerto Rico Unemployment Trust Fund at the US Treasury, from the Department of Labor and Human Resources, was incorporated into the scope of the inventory; \$612M as of 10/31.

\* Refer to the groupings, 'G', as they summarize the current classifications presented in detail on Slide 8.

## Executive Summary (cont'd.)

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- AAFAF started its efforts to identify government bank accounts and their balances to obtain a comprehensive view of the cash position of the Government. Requests were sent to governmental instrumentalities, the Office of the Commissioner of Financial Institutions ("OCIF") and various commercial banks.
- Based on the information obtained, AAFAF prepared an inventory of bank accounts across governmental instrumentalities, including those outside the scope of the fiscal plans submitted to the Financial Oversight and Management Board for Puerto Rico ("FOMB").
- The exercise and the inventory described in this presentation, which had not been conducted by prior administrations, obtained information on +800 bank accounts. AAFAF now has centralized access to bank account information for most of the Government.
- AAFAF has conducted this process in consultation with the FOMB and its advisors, and has been providing periodic reports to the FOMB since July 2017.
- On October 31, 2017, AAFAF commenced publishing weekly cash flow reports for the TSA on its website and EMMA. On December 18, 2017, AAFAF commenced reporting on month-end cash balance position of the bank accounts included in this presentation to provide additional transparency.
- AAFAF has designed a five-step process to evaluate the cash position of the Government, as described herein. AAFAF has completed the first step of this process and will continue with the other steps to arrive at a comprehensive cash model.
- On December 18, 2017, the FOMB announced that it would conduct an independent forensic investigation of the information on Government bank accounts published by AAFAF. On February 6, 2018, the FOMB announced the retention of Duff & Phelps, LLC ("D&P") to conduct this forensic analysis. D&P and AAFAF have participated in discussions to coordinate this process.
- The information presented excludes certain funds as set forth in the "Excluded Funds" slide.

## Process to Evaluate the Cash Position of the Government

Steps	Overview
1. Procure and validate complete set of bank accounts	<ul style="list-style-type: none"><li>▪ AAFAF instructed banks, agencies and public corporations to provide inventory of bank accounts.</li><li>▪ Programmed list of bank accounts, in private financial institution web based platforms, which provide access to bank account detail.</li></ul>
2. Conduct an independent evaluation of the source of funds in non-TSA bank accounts	<ul style="list-style-type: none"><li>▪ Engage an independent firm to conduct an evaluation of the cash inflows and outflows into all governmental bank accounts.</li></ul>
3. Perform a legal analysis to determine the restricted or unrestricted nature of funds at non-TSA bank accounts	<ul style="list-style-type: none"><li>▪ Legal review of the results of the independent evaluation to confirm legal restrictions relative to funds deposited in the bank accounts.</li></ul>
4. Determine potential excess cash available in non-TSA governmental bank accounts, if any	<ul style="list-style-type: none"><li>▪ Determine operating cash needs at major component units.</li><li>▪ Assess reliance on appropriations from the TSA.</li><li>▪ Determine excess cash available across the bank accounts, if any.</li></ul>
5. Evaluate and establish path to legally accessing excess cash at non-TSA instrumentalities, if any	<ul style="list-style-type: none"><li>▪ Establish legal mechanism and process to access excess cash, if any.</li></ul>



## Excluded Funds

Agency	Description
Legislative Branch	<ul style="list-style-type: none"><li>The Puerto Rico Legislative Assembly receives monthly transfers from the General Fund to fund its operations based on budgetary appropriations.</li></ul>
Judicial Branch	<ul style="list-style-type: none"><li>The Puerto Rico Judicial Branch receives monthly transfers from the General Fund to fund its operations based on budgetary appropriations. The Judicial Branch also holds funds in custody related to legal proceedings.</li></ul>
Municipal Funds	<ul style="list-style-type: none"><li>Municipal funds include funds of Puerto Rico municipalities, the Municipal Revenue Collections Center and the Puerto Rico Municipal Finance Agency.</li></ul>
Government Development Bank	<ul style="list-style-type: none"><li>Includes deposits on GDB's balance sheet for government agencies and instrumentalities, public corporations and municipalities. Such deposits have been extinguished pursuant to the terms of the Qualifying Modification for GDB, which went effective on November 29, 2018.</li></ul>
Investment Accounts	<ul style="list-style-type: none"><li>Various investment accounts are included for certain instrumentalities (e.g. ERS, TRS, JRS, State Insurance Fund Corporation and Automobile Accident Compensation Administration, UPR).</li></ul>



## Bank Account Balances for the Government and its Instrumentalities

\$ in millions		<i>Balance as of<sup>1</sup></i>		<i>Notes</i>
<i>Revised Grouping</i>		<i>9/28/2018</i>	<i>10/31/2018</i>	
<b>G5</b>	TSA	3,452.1	3,720.1	<ul style="list-style-type: none"> <li>Reported on a weekly basis on AAFAF's website.</li> </ul>
<b>G5</b>	TSA Sweep	55.7	59.3	<ul style="list-style-type: none"> <li>Accounts that collect income and completely pass through to TSA on a daily basis.</li> </ul>
<b>G3</b>	Pension Related	545.7	583.6	<ul style="list-style-type: none"> <li>Includes employee withholdings mostly for defined contribution retirement accounts (\$350M), and repayment of employee loans issued by the retirement system (\$233M).</li> </ul>
<b>G2</b>	Central Gov't Non-TSA	1,647.8	1,686.9	<ul style="list-style-type: none"> <li>\$612M at US Treasury pertaining to the PR Unemployment Trust Fund from the Department of Labor</li> <li>\$475M federal funds administered by the Public Housing Authority.</li> <li>\$190M lottery related funds.</li> </ul>
<b>G1</b>	COFINA	1,570.1	1,691.7	<ul style="list-style-type: none"> <li>Balance on deposit at BNYM and subject to COFINA interpleader and Title III proceedings. Amounts on deposit are also subject to confirmation of the COFINA Plan of Adjustment in accordance with the Plan Support Agreement entered into by the FOMB, COFINA, AAFAF and certain COFINA creditors on September 20, 2018. The FOMB filed the COFINA Plan of Adjustment and the accompanying disclosure statement with the United States District Court for the District of Puerto Rico on October 19, 2018. At a hearing on November 20, 2018, the District Court approved the disclosure statement, subject to certain modifications and the inclusion of supplemental information. A hearing to confirm the Plan of Adjustment is scheduled for January 16, 2019.</li> </ul>
<b>G1</b>	Other Restricted Title III Accounts	811.4	800.6	<ul style="list-style-type: none"> <li>ERS related accounts (\$385M), GO Redemption Fund (\$268M), and clawback funds (\$147M).</li> </ul>
<b>G1</b>	PREPA	370.3	367.8	<ul style="list-style-type: none"> <li>No significant change in balances. Refer to the PREPA slide for breakdown of classified accounts.</li> </ul>
<b>G4</b>	PRASA	534.8	551.6	<ul style="list-style-type: none"> <li>No significant change in balances. Refer to the PRASA slide for breakdown of classified accounts.</li> </ul>
<b>G1</b>	HTA	364.6	390.0	<ul style="list-style-type: none"> <li>The increase is primarily due to transfers from federal accounts.</li> </ul>
<b>G4</b>	UPR	407.7	414.2	<ul style="list-style-type: none"> <li>No significant change in balances. Refer to the UPR slide for breakdown of classified accounts.</li> </ul>
	ASES	473.9	440.2	<ul style="list-style-type: none"> <li>State and federal funds used mainly for payments of health insurance premiums and claims.</li> </ul>
<b>G4</b>	Other Public Corps & Legally Separate Entities	1,383.0	1,441.4	<ul style="list-style-type: none"> <li>Government entities with autonomous fiscal authority established by law.</li> <li>Slide 21 includes an overview of the entities and balances.</li> </ul>
<b>TOTAL</b>		<b>\$1,617</b>	<b>\$12,147</b>	

<sup>1</sup> Except for accounts with an aggregate balance of \$24.5M, which have not been updated as of the indicated dates.

<sup>2</sup> Refer to the footnotes on Slide 19 for Appendix A, on revised, reclassified and newly incorporated accounts.

\* Refer to the groupings, 'G', as they are summarized on Slide 4.

## TSA, TSA Sweep and Pension Related Accounts

\$ in millions Grouping Subcategory	Balance as of		Notes
	9/28/2018	10/31/2018	
TSA	3,452.1	3,720.1	<ul style="list-style-type: none"> <li>The TSA is the Government's main operational bank account in which a majority of receipts from governmental funds are deposited and from which most expenses are disbursed.</li> <li>It includes tax collections, charges for services, intergovernmental collections, the proceeds of prior short and long term debt issuances held in custody by the Secretary of Treasury for the benefit of Government fiduciary funds, and other receipts.</li> </ul>
<b>TOTAL</b>	<b>\$3,452</b>	<b>\$</b>	
<b>TSA Sweep Accounts<sup>1</sup>:</b>			
General Collection Posts	39.4	37.6	<ul style="list-style-type: none"> <li>Account used for Government receipts from all the collection posts Island wide and the web based platform, known by its Spanish name as <i>Colecturía Virtual</i>. Receipts in collections posts account occur approximately two business days prior to being deposited into the TSA.</li> </ul>
SUT	9.8	19.0	<ul style="list-style-type: none"> <li>Account used for consolidated receipts of Sales and Use Tax. Balances are swept on a daily basis into accounts held by the trustee of the COFINA bonds, the General Fund and/or the Municipal Administration Fund.</li> </ul>
Agency Collection Posts	6.4	2.6	<ul style="list-style-type: none"> <li>Account used to receive amounts collected by collection officers at the agencies mainly for charges for services and fees. Receipts in collections posts account occur approximately two business days prior to being deposited into the TSA.</li> </ul>
<b>TOTAL</b>	<b>\$56</b>	<b>\$59</b>	
<b>Pension Related:</b>			
Employee Withholding	545.7	583.5	<ul style="list-style-type: none"> <li>Custody bank accounts which balances represent employees/participants withholdings for specific purposes as follows: (i) \$350M for individual defined contribution retirement account, (ii) \$233M repayment of employee loans issued by the ERS, TRS and JRS.</li> </ul>
Pay-go charges	-	-	<ul style="list-style-type: none"> <li>Pay-go charges include balances from payments made by municipalities and public corporations in connection with benefits paid to retirees. These Pay-Go related charges are being deposited in a separate specific account, and now programmed to sweep back to the TSA account for reimbursement of pension payments pertaining to Municipalities and Public Corporations.</li> </ul>
<b>TOTAL</b>	<b>\$546</b>	<b>\$584</b>	

<sup>1</sup> Includes Zero Balance Accounts which are accounts used for disbursements of vendors payments, payroll and pensions. These accounts make disbursements and are automatically replenished from the TSA account.

## Central Government – Non-TSA

\$ in millions	Balance as of <sup>1</sup>		Notes
Central Government Entity	9/28/2018	10/31/2018	
Public Housing Administration	478.3	475.6	<ul style="list-style-type: none"><li>PHA accounts include grants of federal funds received to finance public housing programs and their operations.</li></ul>
Other Treasury Custody Accounts	216.0	235.0	<ul style="list-style-type: none"><li>Other Treasury Custody Accounts include balances from the Lotteries in the amount of \$190M.</li></ul>
Department of Labor and Human Resources	742.9	749.9	<ul style="list-style-type: none"><li>DLHR accounts include operational accounts and other funds as follows:<ul style="list-style-type: none"><li>PR Unemployment Trust Fund at US Treasury (\$612M)</li><li>Work Opportunity Incentive Fund (\$78M) to finance an incentive program to promote job creation.</li><li>Contribution Trust Fund (\$8.1M) from employers’ receipts used to pay claims to employees.</li><li>Act No. 15 (\$9.6M) special revenues for operations.</li></ul></li></ul>
Child Support Administration	52.3	51.0	<ul style="list-style-type: none"><li>Custody bank account containing child support payments from non-custodial parents.</li></ul>
Puerto Rico Police	21.0	30.5	<ul style="list-style-type: none"><li>Bank account used to process Police Department payroll funded through budget appropriations.</li></ul>
Department of Housing	7.3	9.8	<ul style="list-style-type: none"><li>DOH accounts include grants of federal funds received to finance public housing programs and their operations.</li></ul>
DDEC	14.2	14.6	<ul style="list-style-type: none"><li>DDEC accounts include operational accounts from General Fund appropriations and internally generated revenues (\$3.5M), Act No. 22-2012 (\$5.0M), film program (\$1.9M) and federal funds.</li></ul>
9-1-1 Services	16.7	17.5	<ul style="list-style-type: none"><li>9-1-1 Services account represents their operational account from special revenues (Act 144-1994).</li></ul>
Other Non-TSA Entities	98.9	103.2	<ul style="list-style-type: none"><li>Description included in Appendix B.</li></ul>
TOTAL	\$1,648	\$1,687	

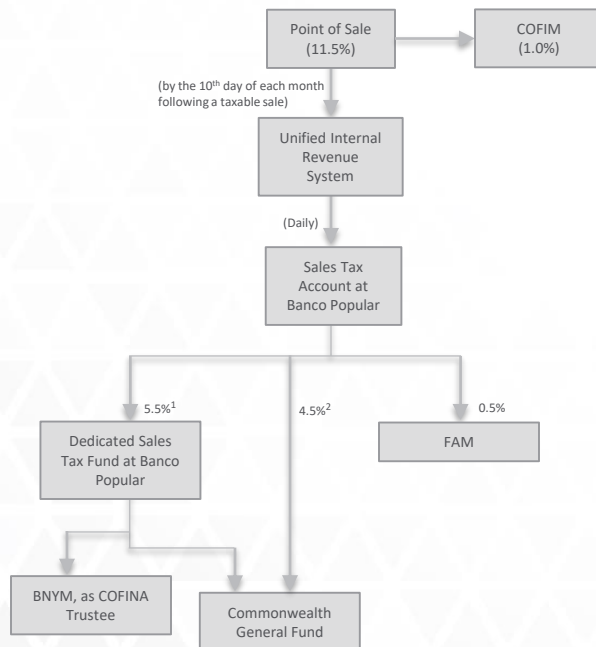
<sup>1</sup> Except for accounts with an aggregate balance of \$3M, which have not been updated as of the indicated dates.

<sup>2</sup> Refer to the footnotes on Slide 19 for Appendix A, on revised, reclassified and newly incorporated accounts.

# Restricted Accounts Subject to Title III Proceedings - COFINA

\$ in millions

Grouping	Balance as of	
	9/28/2018	10/31/2018
COFINA Debt Service and Federal Subsidy Accounts at BNYM <sup>3</sup>	\$1,570.1	\$1,691.4



- The Puerto Rico Sales Tax Financing Corporation (“COFINA”) was created pursuant to Act No. 91-2006, as amended, and has issued bonds payable solely from a portion of the sales and use tax imposed by the Government on qualified transactions.
- Sales and use tax collections are consolidated at an account at Banco Popular de Puerto Rico (“BPPR”).
- Amounts are swept on a daily basis into corresponding accounts at BNYM, as trustee for the COFINA bondholders, the Puerto Rico Treasury Department and/or the Municipal Administration Fund.
- BNYM applies the funds received from BPPR pursuant to the waterfall set forth in the Sales Tax Revenue Bond Resolution. BNYM also receives certain funds from the Federal Government in connection with certain bonds issued by COFINA that receive a federal interest subsidy. The funds on deposit at BNYM may solely be used to pay COFINA bonds and obligations.
- Currently restricted pursuant to the court order issued by the United States District Court for the District of Puerto Rico in Adversary Proceeding No. 17-133-LTS and 17-257-LTS in COFINA’s Title III proceeding under PROMESA.
- The COFINA Pledged Sales Tax Base Amount deposit requirement for FY18 was satisfied on February 16, 2018. Further allocations of the 5.5% Sales and Use Tax transferred through June 30<sup>th</sup>, 2018 to the Commonwealth General Fund.
- A Plan Support Agreement to settle the dispute between the Commonwealth and COFINA was entered into on August 29, 2018, and was awarded and restated on September 20, 2018. It allocates 53.65% of the Pledged Sales Tax Base Amount to COFINA, and the remainder to the Commonwealth. The FOMB filed a COFINA Plan of Adjustment and a related disclosure statement with the United States District Court for the District of Puerto Rico on October 19, 2018. At a hearing on November 20, 2018, the District Court approved the disclosure statement. A hearing to confirm the Plan of Adjustment is scheduled for January 16, 2019.

<sup>1</sup> First revenues up to the “Pledged Sales Tax Base Amount” for the particular fiscal year are deposited with Bank of New York Mellon, as COFINA Trustee. Then, an amount equal to the amount deposited with the COFINA Trustee is transferred to the Government’s General Fund. All other amounts after the Government has received such amount are divided equally between COFINA and the Government.

<sup>2</sup> Corresponds to the 4.5% sales and use tax surcharge.

<sup>3</sup> The Sales Tax waterfall was revised to take out the 1.0% pertaining to COFIM as it does not enter the Unified Internal Revenue System at the Point of Sale, and does not flow into the Sales Tax Account at Banco Popular.

## Restricted Accounts Subject to Title III Proceedings

\$ in millions		<i>Balance as of<sup>1</sup></i>		<i>Notes</i>
<i>Grouping</i>	<i>Subcategory</i>	<i>9/28/2018</i>	<i>10/31/2018</i>	
	ERS Related Accounts	396.7	385.9	<ul style="list-style-type: none"> <li>▪ \$89M for operational purposes.</li> <li>▪ \$109M relating to proceeds from sale of investments.</li> <li>▪ \$93M corresponding to a Post-petition Segregated Account created as part of a stipulation entered into as part of the Title III proceedings.</li> </ul>
	GO Redemption Funds	268.0	268.0	<ul style="list-style-type: none"> <li>▪ \$268.0M in revenues from the 1.03% property tax collected since fiscal year 2017 and deposited in the Public Debt Redemption Fund, the use of which is currently restricted to the payment of general obligation debt.</li> </ul>
	Clawbacks	146.6	146.6	<ul style="list-style-type: none"> <li>▪ \$147M corresponding to revenues retained (or “clawed-back”) by the Government in fiscal year 2016 pursuant to Executive Order 2015-46 for the payment of General Obligation debt.</li> </ul>
<b>TOTAL</b>		<b>\$811</b>	<b>\$801</b>	

*The aforementioned funds are held in segregated accounts and most of them are subject to various claims under the Title III proceedings. The ultimate use of the funds may be subject to court determination.*

<sup>1</sup> Except for accounts with an aggregate balance of \$20.3M, which have not been updated as of the indicated dates.

<sup>2</sup> Refer to the footnotes on Slide 19 for Appendix A, on revised, reclassified and newly incorporated accounts.

## Restricted Accounts / Subject to Title III Proceedings - PREPA

\$ in millions		<i>Balance as of</i>		<i>Notes</i>
<i>Grouping</i>	<i>Subcategory</i>	<i>9/28/2018</i>	<i>10/31/2018</i>	
Operating		282.5	281.3	<ul style="list-style-type: none"> <li>No significant change from prior month; positive operating cash flow offset by timing of emergency spend related reimbursements</li> </ul>
Segregated		0.0	0.0	<ul style="list-style-type: none"> <li>No significant change from prior month</li> </ul>
FEMA		4.8	3.4	<ul style="list-style-type: none"> <li>No significant change from prior month</li> </ul>
Insurance (Restricted)		50.4	50.4	<ul style="list-style-type: none"> <li>No significant change from prior month</li> </ul>
Construction & Other Restricted		32.6	32.7	<ul style="list-style-type: none"> <li>No significant change from prior month</li> </ul>
<b>TOTAL</b>		<b>\$370</b>	<b>\$368</b>	



## PRASA

\$ in millions		<i>Balance as of</i>		<i>Notes</i>
<i>Grouping</i>	<i>Subcategory</i>	<i>9/28/2018</i>	<i>10/31/2018</i>	
Debt Service	Accounts	59.7	78.1	<ul style="list-style-type: none"> <li>Payment of principal and interest on senior and senior sub indebtedness due on 1/1/19.</li> <li>Funding for the Commonwealth Guaranteed Debt and Commonwealth Supported Obligations</li> </ul>
Debt Service	Reserve	93.6	93.6	<ul style="list-style-type: none"> <li>Debt service required as requested by the MAT for 2008 Series A&amp;B Bonds</li> </ul>
Operating	Reserve	84.0	87.2	<ul style="list-style-type: none"> <li>To cover the operating reserve fund for current expenses as required per the MAT. Increase considers deposits made by PRASA following requirements under the MAT.</li> </ul>
Current Expense	Fund	97.9	107.8	<ul style="list-style-type: none"> <li>For payment of operational expenses.</li> </ul>
Revenue Fund		4.2	4.2	<ul style="list-style-type: none"> <li>To fund trust reserves with amounts held in deposit following the MAT priority schedule (Sr Debt Service, Sr Sub Debt Service, Current Expense Fund, Operating Reserve, Capital Improvement Fund and the Commonwealth Payment Fund. June increase is related of government payments received.</li> </ul>
Capital Improvement		30.9	40.4	<ul style="list-style-type: none"> <li>Balance to pay for capital improvement investments deposited on a fund held by the Trust</li> </ul>
Construction Fund		64.7	61.9	<ul style="list-style-type: none"> <li>To pay cost of improvements, payment of the costs of issuance of bonds, and interests during construction.</li> </ul>
Disaster Recovery		98.5	77.1	<ul style="list-style-type: none"> <li>Proceeds in accounts for Disaster Recovery Efforts. Moneys including advancements on Insurance proceeds and FEMA Public Assistance Program</li> </ul>
Compliance Escrow		1.2	1.2	<ul style="list-style-type: none"> <li>Established through Consent Decree and Transactional Agreements with the Department of Health.</li> </ul>
<b>TOTAL</b>		<b>\$535</b>	<b>\$552</b>	



## Restricted Accounts / Subject to Title III Proceedings - HTA

\$ in millions		<i>Balance as of</i>		<i>Notes</i>
<i>Grouping</i>	<i>Subcategory</i>	<i>9/28/2018</i>	<i>10/31/2018</i>	
	Operational	39.7	32.3	<ul style="list-style-type: none"> <li>Includes construction and operational accounts. This bank account is the main deposit account for HTA. Funds from this account are commonly transferred to other HTA bank accounts to cover operational expenses, including payroll accounts for payroll, payroll taxes, and discounts. The decrease (-\$7.4M) is primarily due to the net effect of operating and intra-government receipts (+\$10.0M) less operating expenses other than payroll (-\$22.5M) offsetting net effect of transfers from/to payroll and other accounts (-\$1.8M) during the month.</li> </ul>
	Payroll	2.0	5.6	<ul style="list-style-type: none"> <li>Related to payroll and payroll taxes. The increase (+\$3.6M) is due to payroll and payroll taxes for the month of October (-\$5.7M) offsetting transfers from the Operational Account (+\$5.6M).</li> </ul>
	Federal Funds	10.5	10.7	<ul style="list-style-type: none"> <li>HTA receives federal funds from the Federal Highway Administration ("FHWA") and the Federal Transit Administration ("FTA") and uses those funds to spend on FHWA and FTA earmarked infrastructure projects. The increase (+\$0.2M) is primarily due to net effect during the month of federal capex spending (-\$6.4M) and transfers from/to other accounts (-\$1.0M) approx. offsetting FHWA and FTA inflows (+\$6.7M).</li> </ul>
	Reserve	312.3	341.4	<ul style="list-style-type: none"> <li>Consists of restricted/reserved funds for operational and construction contracts. The increase (+\$29.1) is primarily due to transfers from federal accounts (+\$12.6M).</li> </ul>
<b>TOTAL</b>		<b>\$365</b>	<b>\$390</b>	

## ASES

\$ in millions		<i>Balance as of</i>		<i>Notes</i>
<i>Grouping</i>	<i>Subcategory</i>	<i>9/28/2018</i>	<i>10/31/2018</i>	
Premium Payments Account		409.9	377.4	<ul style="list-style-type: none"> <li>Premium Payments account receives federal and state funding, and makes disbursements for Managed Care Organizations ("MCO") premiums.</li> </ul>
Control Account		63.4	60.3	<ul style="list-style-type: none"> <li>The Control Account receives monies from the Rebates and Operational accounts, and makes disbursements for MCO premiums, and general overhead and payroll expenses.</li> <li>The monthly reduction is a timing variance related to receipt of offsetting federal funds related to the federal Bipartisan Budget Agreement, incremental to the approved FY18 federal funds budget, and the related discontinuation of Commonwealth funds to ASES.</li> </ul>
Rebates and Operational Accounts		.5	2.4	<ul style="list-style-type: none"> <li>The Operational account receives monies from appropriations of approximately \$4M per month and additional \$4M to \$5M from federal administrative reimbursements.</li> <li>Each day cash is swept into the control accounts, which brings balance to zero in Operational Account. The Rebate Account operates the same way in that monies are swept from it to Control Account.</li> </ul>
<b>TOTAL</b>		<b>\$474</b>	<b>\$440</b>	

## UPR

\$ in millions		<i>Bank Balances as of</i>		<i>Notes</i>
<i>Grouping</i>	<i>Subcategory</i>	<i>9/28/2018</i>	<i>10/31/2018</i>	
Operational Accounts <sup>1</sup>				<ul style="list-style-type: none"> <li>Increase of \$5.2M in operational account balances is primarily due to increase in short-term money market investment accounts.</li> <li>Approximately \$305.2M, or 97.0% of UPR operational funds are held in five (5) accounts managed by Central Administration, \$22.6M of which are restricted: <ul style="list-style-type: none"> <li>\$157.5M market value of a securities account (unrestricted)<sup>1</sup>,</li> <li>\$132.1M in a money market account (\$15.5M<sup>2</sup> restricted),</li> <li>\$8.5M in concentration account (unrestricted),</li> <li>\$3.8M in hurricane insurance proceeds account (restricted),</li> <li>\$3.3M in research account at Recinto de Mayaguez at UBS (restricted).</li> </ul> </li> <li>Approximately \$9.0M is in thirty four (39) active Banco Popular bank accounts managed by UPR, or it's units, which typically contain deposits of federal student aid (\$9.0M restricted).<sup>3</sup></li> </ul>
		309.4	314.6	
Component Units Accounts				<ul style="list-style-type: none"> <li>Only a nominal overall decrease of \$0.5M in component unit account balances mainly due to decrease in Retirement System accounts.</li> <li>\$15.6M in 4 accounts at <i>Servicios Médicos Universitarios, Inc. ("SMU")</i> (\$8.3M restricted),</li> <li>\$15.2M in 12 accounts at <i>DUI</i> (\$15.1M restricted),</li> <li>\$1.8M in 2 restricted accounts at <i>University of Puerto Rico Parking System Inc.</i>,</li> <li>\$0.5M in 2 restricted accounts related to Retirement Systems,</li> <li>\$0.4M in 2 accounts at <i>Materials Characterization Center, Inc.</i> (\$0.1M restricted).</li> </ul>
		34.0	33.5	
Bond Sinking Fund Accounts				<ul style="list-style-type: none"> <li>Three restricted US Bank accounts related to debt service obligations on UPR revenue bonds.</li> </ul>
		63.6	66.0	
<b>TOTAL</b>		<b>\$407</b>	<b>\$414</b>	<ul style="list-style-type: none"> <li>As of 9/30/18: \$133.2M Restricted (\$43.1M operational; \$26.5M CUs; \$63.6M bonds), or 33%.</li> <li>As of 10/31/18: \$123.8M Restricted (\$32.0M operational; \$25.8M CUs; \$66.0M bonds), or 30%.</li> </ul>

***In general, the unrestricted account balances in operational accounts are used as working capital for payments of the ordinary obligations of the University, which are not subsidized by other sources. For example, accounts payable, budget deficits (including those related to UPR's Retirement System), and needs resulting from spend/reimbursement timing and uninsured portions for 2017 hurricane damages.***

<sup>1</sup> UPR purchased T-Bills with monies from the BPPR money market account in three trades, each \$50M - with maturities of only 30, 60 and 90 days, thus considered unrestricted cash equivalents available for operations.

<sup>2</sup> Building and Facilities (Molecular Sciences/Plant Nursery): \$7.8M; Endowment Fund: \$6.2M; Perkins Federal Program: \$1.0M; Donations: \$0.5M.

<sup>3</sup> Overall balance also includes restricted funds totaling \$0.4M in a donation account at Banco Santander.

<sup>4</sup> Confirming whether there are other legally separate entities, under the UPR structure that could have additional bank accounts. Will continue to update disclosure as information is available and validated.

## Other Public Corporations and Legally Separate Entities

\$ in millions <i>PC or Legally Separate Entity</i>	<i>Balance as of<sup>1</sup></i>		<i>Notes</i>
	<i>9/28/2018</i>	<i>10/31/2018</i>	
State Insurance Fund Corporation	264.8	267.8	<ul style="list-style-type: none"> <li>Almost all of the balances include unrestricted operational accounts for premium collections and concentration purposes. The remaining balance consists of reserve and operational pass-through accounts.</li> </ul>
Automobile Accident Compensation Administration	125.9	123.0	<ul style="list-style-type: none"> <li>The majority of these funds represent investment reserves for the purposes of meeting future benefit payments, a standard operating procedure of insurance providers. The remaining amounts are mostly used for operational expenses.</li> </ul>
Tourism Company	96.9	98.3	<ul style="list-style-type: none"> <li>\$54.7M in debt service reserve accounts, \$4.9M related to room tax revenues and the rest are funds in operational accounts.</li> </ul>
Agricultural Enterprises Development Administration	52.2	59.0	<ul style="list-style-type: none"> <li>The majority of the balances include operational accounts including sweep and deposit accounts. The remaining balances consist of restricted/reserve accounts.</li> </ul>
Housing Financing Authority	61.1	51.6	<ul style="list-style-type: none"> <li>A portion of the balances are composed of restricted accounts including debt service, escrow, and federal funds. The remaining accounts are unrestricted operational accounts.</li> </ul>
Industrial Development Company	104.3	100.8	<ul style="list-style-type: none"> <li>Most of these funds are deposited for specific uses including, but not limited to, debt service reserves, incentive payments established by law, and capital expenditures. Remaining funds are mostly used for PRIDCO and Rums of PR operating expenses.</li> </ul>
Other Public Corporations <sup>2</sup>	677.7	740.3	<ul style="list-style-type: none"> <li>Description included in Appendix C.</li> </ul>
<b>TOTAL</b>	<b>\$1,383</b>	<b>\$1,440</b>	

<sup>1</sup> Except for accounts with an aggregate balance of \$.2M which have not been updated as of the indicated dates.

<sup>2</sup> Refer to the footnotes on Slide 19 for Appendix A, on revised, reclassified and newly incorporated accounts.

## Appendix A: Reconciliations and Revisions of Reported Balances to Date

### Detail of Updated Balances vs. September 28<sup>th</sup> disclosure

(9/28/2018 balances reported on October, \$ in millions)

\$ in M	TSA	TSA Sweep	Pension related	Central Government - Non TSA	COFINA DSR	Other Restricted Title III Accounts	PREPA	PRASA	HTA	UPR	ASES	Other Public Corp's.	Total
Reported 9/28 Balances	3,452	56	546	1,007	1,570	811	370	535	365	407	474	1,369	10,962
Account Reclassifications	-	-	-	-	-	-	-	-	-	-	-	-	0
Revisions to Balances	-	-	-	-	-	-	-	-	-	-	-	-	0
Incorporated Accounts	-	-	-	640 <sup>1</sup>	-	-	-	-	-	-	-	14 <sup>2</sup>	654
Removed Accounts	-	-	-	-	-	-	-	-	-	-	-	-	0
Revised 9/28 Balances	3,452	56	546	1,648	1,570	811	370	535	365	407	474	1,383	11,616

<sup>1</sup> Newly incorporated accounts for 'Central Government – Non-TSA' pertain to the PR Unemployment Fund (\$612M), and two additional accounts, also from the Department of Labor at The Northern Trust (\$28M).

<sup>2</sup> Newly incorporated accounts for 'Other Public Corporations' include an account identified and pertaining to PRITA (\$14M), and various other accounts pertaining to HFA (\$200K).

## Appendix B: Central Government – Non TSA

\$ in '000s

<u>Agency Name</u>	<i>Balance as of</i>		<i>DELTA</i>
	<u>8/28/2018</u>	<u>10/31/2018</u>	<u>8/31/2018</u>
PR Investment Fund	33,807.6	-	33,813.8
Department of Education	21,287.3	24,501.2	3,214.0
Telecommunication's Regulatory Board	10,488.1	11,103.6	615.5
Office of Government Ethics	9,105.1	9,133.2	28.1
Office of the Comptroller	6,519.6	6,422.4	(97.2)
Institute of Forensic Sciences	4,725.1	4,469.1	(256.0)
Puerto Rico Education Council	3,099.6	3,617.4	517.8
Institute of Statistics	3,013.6	2,996.4	(17.3)
OCAM - OGP	2,512.5	2,512.5	-
Department of Correction and Rehabilitation	1,594.5	1,511.9	(82.6)
Administration for Socioeconomic Development of the Family	168.8	667.9	499.1
Environmental Quality Board	870.6	621.9	(248.7)
Families and Children Administration	519.2	502.0	(17.2)
Department of Natural Resources	407.5	407.5	0.0
Office of Socioeconomic Development	348.6	349.4	0.8
Department of Consumer Affairs	238.1	220.2	(17.9)
Commonwealth Election Commission	210.8	164.5	(46.3)
Department of Justice	12.9	12.9	-
Office of the Governor	9.9	9.9	0.0
Puerto Rico National Guard	5.3	4.9	(0.4)
Industrial Commission	-	-	-
<b>Total</b>	<b><u>98,945</u></b>	<b><u>103,043</u></b>	<b><u>4,098</u></b>

## Appendix C: Other Public Corporations and Legally Separate Entities

\$ in '000s

Balance as of

DELTA

<u>Agency Name</u>	<u>9/28/2018</u>	<u>10/31/2018</u>	<u>8/31/2018</u>
Public Private Partnership Authority	17,379.7	113,280.0	95,900.2
Economic Development Bank	108,316.1	106,104.0	(2,212.1)
Infrastructure Financing Authority	92,586.2	90,134.8	(2,451.4)
Public Buildings Authority	108,803.7	86,813.8	(21,989.9)
Fiscal Agency and Financial Advisory Authority	35,617.7	37,762.9	2,145.2
Medical Services Administration	38,634.8	34,613.8	(4,021.0)
Ports Authority	34,459.2	30,485.1	(3,974.0)
Convention Center District Authority	23,942.5	30,027.3	6,084.8
Comprehensive Cancer Center	28,143.6	28,408.9	265.3
Integrated Transport Authority	26,505.1	24,528.8	(1,976.3)
Financial Oversight Board	21,032.6	20,567.9	(464.6)
Land Authority	15,512.2	15,323.3	(188.9)
Puerto Rico Trade and Export Company	14,626.2	14,713.3	87.2
Government Employee and Judiciary Retirement System Administration	13,336.5	13,349.1	12.6
Solid Waste Authority	12,426.6	12,378.6	(48.0)
Other	15,155.4	11,849.3	(3,306.1)
Teacher's Retirement System	12,264.7	10,836.6	(1,428.2)
Land Administration	10,071.1	10,672.7	601.6
Puerto Rico and the Caribbean Cardiovascular Center Corporation	11,849.1	10,099.0	(1,750.1)
Energy Commission	7,593.6	7,829.8	236.3
Musical Arts and Stagecraft Corporation	5,682.1	5,588.0	(94.1)
National Guard Institutional Trust	5,419.9	5,549.5	129.6
Farm Insurance Corporation	5,371.8	4,949.4	(422.4)
Institute of Puerto Rican Culture	2,582.4	4,650.2	2,067.8
Fine Arts Center Corporation	3,386.8	3,645.1	258.3
Authority for the Redevelopment of the land and facilities of the Roosevelt Roads Naval Station	1,709.4	1,715.6	6.2
Conservatory of Music	1,577.7	1,554.5	(23.3)
Center for Research, Education and Medical Services for Diabetes	918.1	886.9	(31.2)
Company for the Integral Development of Cantera's Peninsula	878.6	801.8	(76.7)
School of Plastic Arts	932.3	785.5	(146.8)
Public Broadcasting Corporation	647.1	322.9	(324.2)
Port of the Americas Authority	159.5	163.4	3.9
Culebra Conservation and Development Authority	95.7	109.2	13.5
Bosque Modelo de PR	60.0	75.8	15.9
Martín Peña Canal ENLACE Project Corporation	63.7	63.7	-
<b>Total</b>	<b>677,742</b>	<b>740,641</b>	<b>62,899</b>